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3 A. G. Contract No. KR95 0472TRN
4 ADOT ECS File No. JPA 95-43
5 Project: Transfer Auto License
6 Section: Maricopa County
7
8

9 INTERGOVERNMENTAL AGREEMENT
10 BETWEEN
11 THE STATE OF ARIZONA
12 AND
13 MARICOPA COUNTY, ARIZONA
14

15
16 THIS AGREEMENT is entered into 8 AUGUST, 1995, pursuant to
17 Arizona Revised Statutes, Sections 11-951 through 11-954, as amended, between the
18 STATE OF ARIZONA, acting by and through its DEPARTMENT OF
19 TRANSPORTATION (the "State") and MARICOPA COUNTY, ARIZONA acting by and
20 through its BOARD OF SUPERVISORS (THE "County").
21

22 I. RECITALS
23

24 1. The State is empowered by Arizona Revised Statutes Section 28-108 to enter
25 into this agreement and has by resolution, a copy of which is attached hereto and made
26 a part hereof, resolved to enter into this agreement and has delegated to the
27 undersigned the authority to execute this agreement on behalf of the State.
28

29 2. The County is empowered by Arizona Revised Statutes Section 11-251 to
30 enter into this agreement and has by resolution, a copy of which is attached hereto and
31 made a part hereof, resolved to enter into this agreement and has authorized the
32 undersigned to execute this agreement on behalf of the County.
33

34 3. Under the provisions of Arizona Revised Statutes Section 28-301, the County
35 assessor has performed as agent of the State in the various duties associated with, for
36 and on behalf of the States' Motor Vehicle Division (MVD). The State and the County
37 have determined it to now be in the best interests of the parties hereto and the public, to
38 transfer those duties, together with associated property and staff to the State, effective
39 on 1 July 1995, all in accordance with Arizona Revised Statutes Section 28-301.02.
40

41 THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed
42 as follows:

1

NO. <u>19990</u>
FILED WITH SECRETARY OF STATE
Date Filed <u>08/08/95</u>
<u>Jane Lee Hull</u> Secretary of State
By <u>Vicky D. Brown</u>

43 II. SCOPE

44
45 1. The State will:

46
47 a. On 1 July 1995, assume all of the powers, duties and responsibilities
48 which devolve upon the County assessor directly relating to motor vehicle license
49 functions.

50
51 b. By legislative general fund appropriation, to the County general fund,
52 purchase from the County the real property, fixed assets and equipment presently
53 necessary for such purposes. Fixed assets and equipment are listed and detailed in
54 Exhibit A, which is attached hereto and made a part hereof. Such purchase price shall
55 be established by independent fee appraisal and agreement of the parties, currently
56 estimated at \$8.0 million. The County and the State will appoint employees to jointly
57 perform a physical inventory and valuation of the County fixed assets to be purchased
58 and transferred.

59
60 c. Provide State employment to County employees as listed and detailed in
61 Exhibit B, which is attached hereto and made a part hereof, as required by ARS 28-
62 301.02 B.3 and D. The transferred employees will retain, at a minimum, current pay
63 rates, retain current sick leave balances without limitation, retain annual leave (vacation)
64 balances and retain County service dates (seniority). Thereafter, the employees will
65 receive the same accrual rates for sick and annual leave as other State employees.
66 Transferred employees will have until June 30, 1996 in which to use any annual leave
67 accruals in excess of 240 hours. Thereafter they will be subject to the State use or lose
68 policy of carrying forward no more than 240 hours of annual leave at the end of each
69 calendar year. In addition, the State will integrate the transferred County employees
70 into State health care plans in a manner which will provide continuous and unbroken
71 coverage.

72
73 d. No later than July 1, 1997, transfer to the County the State real property,
74 as detailed in Exhibit C, which is attached hereto and made a part hereof. Such real
75 property shall be competently appraised and credited to the State towards the purchase
76 price of this transaction.

77
78 e. Such purchase is financed with, and contingent upon, two (2) separate
79 special legislative appropriations during State fiscal years 1995-96 and 1996-97. In the
80 event both appropriations are not forthcoming, a partial or complete termination of this
81 agreement shall ensue and the following disposition of property upon such partial or
82 complete termination (ARS 11-952 B.4.)

83
84 (1). The State shall return to Maricopa County all of the real property
85 transferred to the State and fixed assets as identified in Exhibits A and C to this
86 agreement. Maricopa County shall return to the State Highway Fund an amount equal
87 to whatever payments have been received to date from the State, less an amount equal
88 to the fair market value for rental of the real property for such time as this agreement is
89 in effect. Real property shall be returned in a condition of repair and maintenance at
90 least equal to the condition of the property as of the effective date of this agreement.
91 Fixed assets shall be returned in substantially the same quality and quantity as shown
92 on Exhibit A to this agreement.

Maricopa County shall return to the State all of the real property transferred from the State to the County as identified in Exhibit C to this agreement and compensate the State for such property at an amount not less than the fair market rental value from the date of transfer to the time of return. Real property returned to the State by the County shall be at least equal to the condition of the property as of the effective date of this agreement. In the event any or all of the real property has been sold by the County, the County shall forward to the State a payment equal to the net proceeds of the sale(s) or auction(s).

f. Cooperate with the County in the performance of any audit, analysis or study required for the efficient transfer of the operations herein contemplated, including the reconciliation of any bank clearing accounts as to fiduciary responsibilities as of 30 June 1995, and continue such assistance until it is mutually agreed by the parties that the County account may be closed; but not later than 1 October 1995.

2. The County will:

a. On 1 July 1995, relinquish all of the powers, duties and responsibilities of the County assessor relating to motor vehicle license functions to the State. Provide the State in original form personnel records for all County employees affected by this transfer; detailing names, addresses, salaries, position titles, job classifications, date of hiring, underfills, overfills, special duty assignments, leave status, workman's compensation recipients, armed forces reserve/national guard status, leave status, etc., as well as pending employee grievances, disciplinary actions, discrimination, ADA, ADEA, Section 504, complaints or lawsuits, and the status thereof.

b. Retain responsibility for all lawsuits, adverse awards, disciplinary appeals, grievances, rule violations and workmen's compensation situations or complaints of a similar nature occurring prior to 1 July 1995, as well as withholding taxes (employee or employer share) and other employee related costs due and owing up to and including 30 June 1995.

c. Reimburse ADOT for the June, 1995 tab charges and the accrued vacation balances as of June 30, 1995 for all employees transferred to MVD. Such reimbursement will be made from the County Fund 204 and the reimbursement will be forwarded to the (MVD) Director's Special Fund (ARS 28-301.03). Zero funds will be transferred from the special funds (Auto License Fund 204) established pursuant to ARS 28-301 to the State. (ARS 28-301.02.5.)

d. Prior to employee transfer, the County will pay each employee the value of his/her accrued compensation time.

e. Be responsible for operational expenses relating to the performance of motor vehicle license functions through 30 June 1995.

f. Cooperate with the State in the performance of any audit, analysis or study required for the efficient transfer of the operations herein contemplated.

g. Continue participation in the development and implementation of the Enterprise Program through the purchase of required equipment. County participation

shall be limited to equipment and fixed assets required for the Title and Registration roll-out. Assets acquired by the County, or expected to be acquired for the Enterprise Project, as detailed in Exhibit A, will be added to the inventory of existing fixed assets and valued as appropriate.

h. Effective July 1, 1995, authorize the State to endorse checks, drafts, and other negotiable instruments made payable to Maricopa County for services directly related to the Auto License function and performed by the State through and after the effective date of this agreement. Such endorsements shall also apply to penalties earned by Maricopa County, but which are received by the State after the effective date of this agreement. Maricopa County shall be entitled to all revenues earned for any work performed up to and through June 30, 1995 for vehicle title fees, interest earnings, vehicle registration fees, commercial vehicle registration fees, lieu taxes, postage, bad check (NSF) fees, and other licenses and permits. The term "work performed" means the actual registration of a vehicle and/or producing a title. If any revenues or payments are received by Maricopa County after the effective date of this agreement, which are entitled to the State, Maricopa County will forward such funds to the (MVD) Director's Special Fund.

i. No later than July 1, 1997 transfer to the State the County real property, as detailed in Exhibit C, which is attached hereto and made a part hereof. Such real property shall be competently appraised and credited to the County. Such real property may be leased by the State from the County for one dollar (\$1.00) per fiscal year during the transition of the operations contemplated herein. During the lease period, the State shall assume responsibility for all real property insurance, including liability insurance, repair, maintenance and construction. The State shall keep such real property in a state of good and safe condition.

III. MISCELLANEOUS PROVISIONS

1. This agreement is contingent upon State legislative appropriation of funds, and shall remain in force and effect until completion of said transfer of operations and completion of the related requirements, and may continue for a transition period of up to two (2) years from July 1, 1995 subsequent to substantial performance of the terms hereto.

2. This agreement shall become effective upon filing with the Secretary of State.

3. This agreement may be canceled in accordance with Arizona Revised Statutes Section 38-511.

4. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

5. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

6. Auto License Employees:

a. Maricopa County and the Arizona Department of Transportation wish to ensure that affected employees are treated with dignity and respect throughout the transition process. Maintaining positive employee relations will assist in maintaining a satisfactory level of productivity and efficiency.

b. It is the desire of Maricopa County and ADOT to work closely with employees to address any specific individual concerns. Employee needs will be accommodated within sound business practices and personnel policies.

7. All notices or demands upon any party to this agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Department of Transportation
Director, Motor Vehicle Division
1801 West Jefferson Avenue Mail Drop 500M
Phoenix, AZ 85007

Maricopa County
County Administrative Officer
301 West Jefferson Avenue
Phoenix, AZ 85003

8. Attached hereto and incorporated herein is the written determination of each party's legal counsel that the parties are authorized under the laws of this state to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

MARICOPA COUNTY, ARIZONA

By Tom Rawles
Tom Rawles, Chairman
Board of Supervisors

STATE OF ARIZONA
Department of Transportation

By Larry S. Bonine
Larry S. Bonine
Director

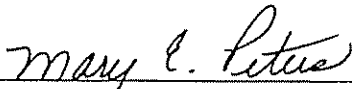
ATTEST

By Fran McCarroll
Fran McCarroll
Clerk of the Board

RESOLUTION

BE IT RESOLVED on this 28th day of February 1995, that I, the undersigned LARRY S. BONINE, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through Motor Vehicle Division, to enter into an agreement with Maricopa County for the purpose of defining responsibilities for the transfer of County assessor functions in vehicle licensing and related duties to the Motor Vehicle Division.

Therefore, authorization is hereby granted to draft said agreements which, upon completion, shall be submitted to the Director, Motor Vehicle Division for approval and execution.


for LARRY S. BONINE
Director

AGENDA FORM

FILE

A 301

Contract/ Lease for ☐ NEW ☐ RENEWAL ☐ AMENDMENT ☐ CANCELLATION
(for existing, record Encumbrance No. below)

LOW ORG. NO.

DEPARTMENT: Auto LicenseCONTROL NUMBER: AL95-ENCUMBRANCE CS951239

AGENCY:

CONTROL NUMBER:

1. BRIEF DESCRIPTION OF PROPOSAL AND REQUESTED BOARD ACTION:

It is requested that the Board of Supervisors approve and execute the Intergovernmental Agreement between the State of Arizona and Maricopa County for the transfer and sale of the Auto License operations to the State.

The State is empowered by Arizona Revised Statutes Section 28-108 to enter into this agreement. Maricopa County is empowered by Arizona Revised Statutes Section 11-251 to enter into this agreement. Under the provisions of Arizona Revised Statutes Section 28-301, the County Assessor has performed as an agent of the State in the various duties associated with, for and on behalf of the State Motor Vehicle Division (MVD). The State and the County have determined it to now be in the best interests of the public and the parties hereto, to transfer those duties, together with the associated property and staff to the State, effective on 1 July 1995, all in accordance with Arizona Revised Statutes Section 28-301.02.

County Procurement Code _____

article

paragraph

Procurement Officer

SOLE SOURCE JUSTIFICATION:

3. CONTINUED FROM MEETING OF _____
DISCUSSED IN MEETING OF _____4. ☐ THIS DEPARTMENT WILL CAUSE PUBLICATION☐ CLERK OF THE BOARD TO CAUSE PUBLICATION

5. MOTION:

Approve and execute the Intergovernmental Agreement between the State of Arizona and Maricopa County for the transfer and sale of Auto License operations to the State of Arizona.

See Criteria attached

6. FINANCIAL: ☐ Expenditure ☒ Revenue ☒ Budgeted ☐ Contingency ☐ Budget Amendment ☐ Transfer ☐ Grant or Other

FY 95/96 \$5,000,000

FY 96/97 \$3,000,000 estimated

\$8,000,000.

General

SW6-13-95

TOTAL

FUND

FINANCIAL OFFICER

DATE

7. PERSONNEL:

PERSONNEL DIRECTOR _____ DATE _____

8. DEPARTMENT:

ACTION RECOMMENDED BY _____ DATE _____

9. MATERIALS MANAGEMENT:

A. _____
MATERIALS MANAGEMENT DIRECTOR DATE

10. LEGAL: Approved as to form and within the powers and authority granted under the laws of the state of Arizona to the Maricopa County Board of Supervisors.

B. _____
WMBE REPRESENTATIVE DATE

Anna Thinter 6-8-95
DEPUTY COUNTY ATTORNEY DATE

11. OTHER: _____

12. APPROVED FOR AGENDA:
Guil A. Schmidt 6-12-95
APPROVING OFFICIAL DATE

13. OTHER: _____

15. RECOMMENDATION OF COUNTY MANAGER:
☒ Approve ☐ Disapprove

14. BOARD OF SUPERVISORS: Action taken:

Comments:

☒ Approved ☐ Amended ☐ Disapproved ☐ DeletedContinued to: _____
(Date and type of meeting) 6/19/95

DR Smith 6/19/95
COUNTY MANAGER DATE

CLERK OF THE BOARD

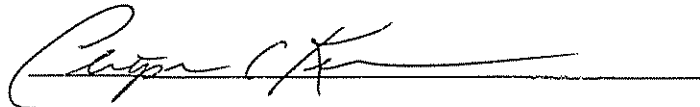
DATE

JPA 95-43

APPROVAL OF THE MARICOPA COUNTY ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, and MARICOPA COUNTY and declare this agreement to be in proper form and within the powers and authority granted to the County under the laws of the State of Arizona.

DATED this 29 day of July, 1995.


County Attorney



STATE OF ARIZONA

OFFICE OF THE ATTORNEY GENERAL

GRANT WOODS
ATTORNEY GENERAL

1275 WEST WASHINGTON, PHOENIX 85007-2926

MAIN PHONE : 542-5025
TELECOPIER : 542-4085

INTERGOVERNMENTAL AGREEMENT
DETERMINATION

A. G. Contract No. KR95-0472-TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. §11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATED this 1st day of August, 1995.

GRANT WOODS
Attorney General

A handwritten signature in black ink, which appears to read "James R. Redpath", is written over a horizontal line.

JAMES R. REDPATH
Assistant Attorney General
Transportation Section

JRR:lsr
8918G/28